



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

"SHIRTSLEEVE" SESSION

Date: June 11, 2019

Time: 7:00 a.m.

*and via conference call:

1311 Midvale Road
Lodi, CA 95240

For information regarding this Agenda please contact:

Jennifer M. Ferraiolo

City Clerk

Telephone: (209) 333-6702

Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Lodi Electric Utility Rules and Regulations – Downtown Point of Interconnection (EU)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Jennifer M. Ferraiolo
City Clerk

All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 72 hours prior to the meeting date. Language interpreter requests must be received at least 72 hours in advance of the meeting to help ensure availability. Contact Jennifer M. Ferraiolo at (209) 333-6702. Solicitudes de interpretación de idiomas deben ser recibidas por lo menos con 72 horas de anticipación a la reunión para ayudar a asegurar la disponibilidad. Llame a Jennifer M. Ferraiolo (209) 333-6702.



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Lodi Electric Utility Rules and Regulations – Downtown District Point of Interconnection

MEETING DATE: June 11, 2019

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Receive additional information as it relates to proposed updates to the Lodi Electric Utility Rules and Regulations – Rule 1 (Downtown District Point of Interconnection).

BACKGROUND INFORMATION: First approved in 1989, Lodi Electric Utility (LEU) Rules and Regulations set forth how the utility will furnish electric service to any premises within the LEU service territory.

Since 1989, a number of revisions have been approved by City Council, the most recent of which was in 2012. With continuous changes in the electric utility industry including legislative and regulatory requirements, technological advances, and local requirements, staff has completed a more comprehensive review of the full suite of LEU Rules and Regulations.

On November 27, 2018, LEU staff presented the City Council with various proposed changes to its Rules and Regulations. The most significant change proposed centers around Rule 1 where LEU proposes to define the customer point of interconnection within the Downtown District and outlines various criteria which would ensure compliance with the proposed rule change by 2038. The Downtown District is defined as the area bound by Locust Street, Sacramento Street, Lodi Avenue and Church Street.

After discussing the benefits associated with the proposed Rule 1 change, including safety, improved reliability and more timely response/repairs in the event of failing infrastructure, the City Council requested staff to estimate the cost and funding options for the upgrades associated with bringing the existing Downtown District into compliance with the proposed Rule 1 changes.

Staff will provide the City Council with additional information, as requested, regarding the proposed Rule 1 changes, costs and funding options.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Melissa Price
Interim Electric Utility Director

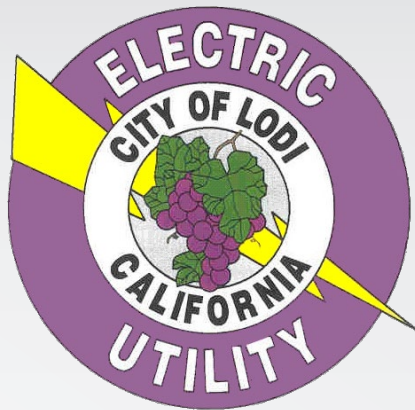
PREPARED BY: Hasan Shahriar, Senior Power Engineer
MP/HS/NB

APPROVED: _____
Stephen Schwabauer, City Manager

Lodi Electric Utility Rules and Regulations

Rule 1 – Downtown District Point of Interconnection

Lodi City Council Shirtsleeve
June 11, 2019



Rules and Regulations

Background

- ◉ Originally approved by Council in 1989
- ◉ Sets forth how utility furnishes electric service
- ◉ Multiple revisions approved by Council
- ◉ Most recent updates in 2010 and 2012
 - > Billing and fees
- ◉ Continuous changes in electric utility industry
- ◉ Staff completed more comprehensive review of Rules and Regs in 2018



Rules and Regulations

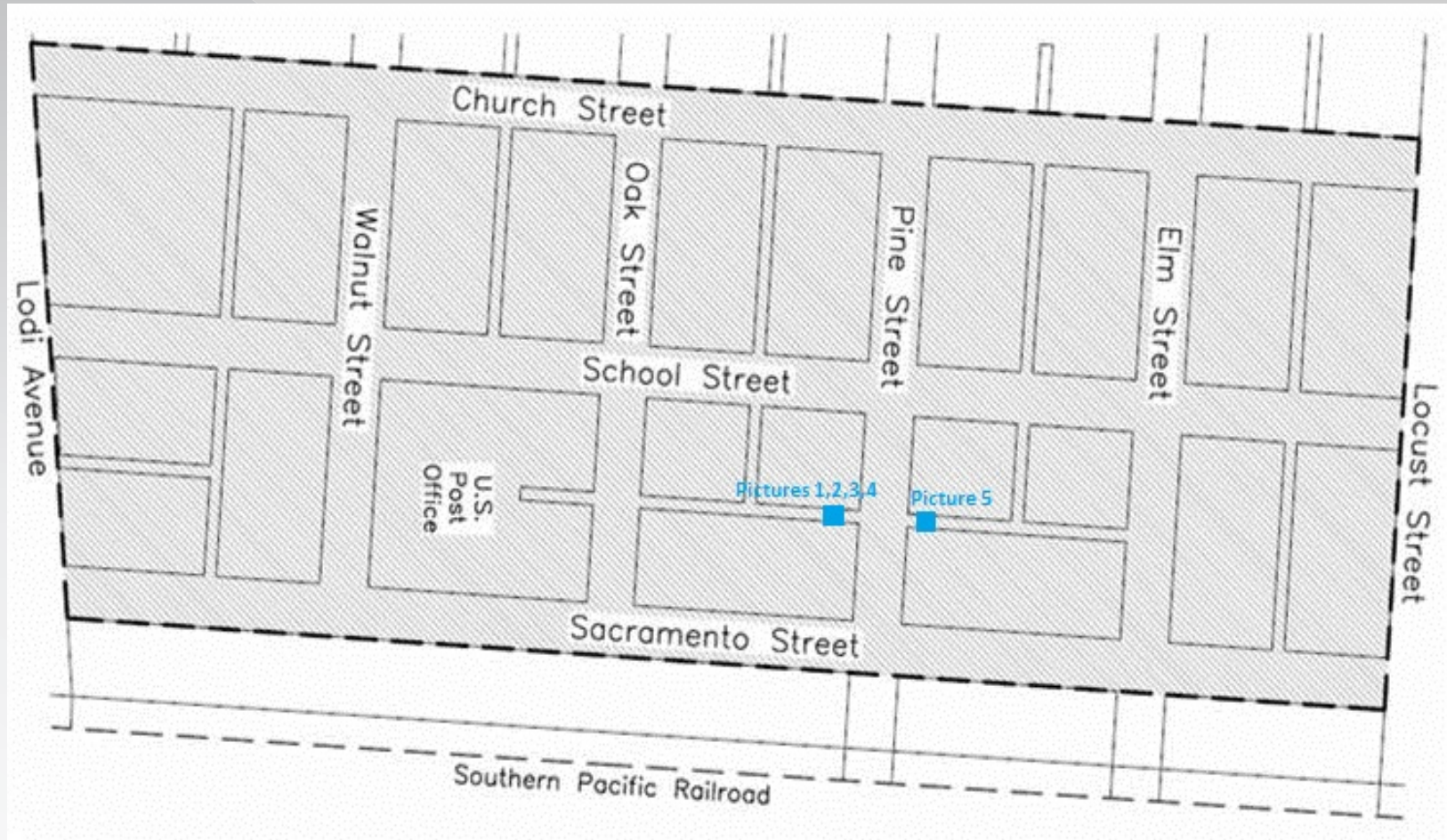
November 27, 2018 Shirtsleeve

- ⦿ Reviewed various proposed changes with Council
- ⦿ Discussion focused on Rule 1
- ⦿ Rule 1
 - > Defines customer point of interconnection for Downtown District
 - > Establishes criteria to ensure compliance



Rules and Regulations - Rule 1

Downtown District Map



D/T District Point of Interconnection

Current Challenges



Picture 1

D/T District Point of Interconnection

Current Challenges (continued)



Meter Panels on Private Property Offering Limited Accessibility



Rule 1 Proposed Changes

D/T District Point of Interconnection

⦿ Proposed Changes

- Moves LEU Point of Interconnection
 - From “*interconnection to meter panel*” to “*where secondary service leaves public right-of-way*”
- Moves meter and utility infrastructure into public right-of-way
- Required due to aging infrastructure

⦿ Conditions of Compliance

- Major renovation projects (Lodi Municipal Code 15.44)
- Failure of a service lateral
- Full compliance required within 20 years (2038)
 - Based on life expectancy of existing secondary service conductor

D/T District Point of Interconnection Proposed Changes



Picture 5

Rule 1 Proposed Changes

Downtown District Point of Interconnection

- ◎ Need for Proposed Changes
 - > Safety
 - > Accessibility
 - > Improved reliability
 - > More timely response/repairs in event of failure
 - > Minimizes impact on adjacent property owners
- ◎ Public Outreach and Meetings
 - > June 2018 – Chamber
 - > Oct 2018 – Open House (D/T District)
 - > Nov 2018 – Public Meeting – Council Shirtsleeve



Rule 1 Proposed Changes

Downtown District Point of Interconnection

◎ Cost Estimate - Methodology

- Physical survey of 5 out of 10 blocks
- Costs estimated for 5 blocks and \$/meter determined
- Based on \$/meter and # of meters for all 10 blocks – cost estimate generated for all 10 blocks
- Total of 73 different property owners and 249 meters
- Total Cost: \$3M (\$2.3M customer / \$700K LEU)

| Total Project | | |
|---------------|----------|-----------|
| Term (Months) | Monthly | Annual |
| 60 | \$62,832 | \$753,979 |
| 120 | \$36,082 | \$432,980 |
| 180 | \$27,425 | \$329,104 |
| 240 | \$23,284 | \$279,408 |

D/T District Point of Interconnection

Funding Options and Challenges

- ◎ Payment sources
 - > Ratepayer funded
 - Customer portion would need to be contracted
 - Not work performed by LEU staff
 - > Customer
 - Improvement District
 - Would require majority of property owners to support
 - Would need to determine equitable formula for assessment – no two properties are alike
 - Block to block – costs vary from \$25K to \$760K
 - Bill Charge
 - Belongs to customer; not all customers are property owners
 - Would need to determine equitable formula to allocate charge(s)



Rule 1 Proposed Changes

Recommendation

- ◎ Customer will be responsible for compliance
 - > Major renovation projects (Lodi Municipal Code 15.44)
 - > Failure of a service lateral
 - > Full compliance required within 20 years (2038)
- ◎ LEU will make repairs/improvements and fund utility portion as needed
 - > Funded as part of ongoing capital maintenance program
- ◎ Staff will continue to seek out and evaluate other funding opportunities that may be available to assist customers with costs

